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SUMMARY RECORD OF THE 52nd MEETING

Chairman: Mrs. EMERSON (Portugal)
(Vice-Chairman)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

CONTENTS

AGENDA ITEM 120: FINANCIAL REPORTS AND AUDITED FINANCIAL STATEMENTS, AND REPORTS OF THE BOARD OF AUDITORS (continued)

AGENDA ITEM 132 (a): FINANCING OF THE ACTIVITIES ARISING FROM SECURITY COUNCIL RESOLUTION 687 (1991): UNITED NATIONS IRAQ-KUWAIT OBSERVATION MISSION (continued)

AGENDA ITEM 131: FINANCING OF THE UNITED NATIONS ANGOLA VERIFICATION MISSION

AGENDA ITEM 166: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN LIBERIA

AGENDA ITEM 149: FINANCING OF THE UNITED NATIONS OPERATION IN MOZAMBIQUE (continued)

AGENDA ITEM 136: FINANCING OF THE UNITED NATIONS PROTECTION FORCE (continued)

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In the absence of Mr. Hadid (Algeria), Mrs. Emerson (Portugal), Vice-Chairman took the Chair.

The meeting was called to order at 10.45 a.m.

AGENDA ITEM 120: FINANCIAL REPORTS AND AUDITED FINANCIAL STATEMENTS, AND REPORTS OF THE BOARD OF AUDITORS (continued) (A/C.5/48/L.43)

1. The CHAIRMAN invited the Committee to adopt draft decision A/C.5/48/L.43

2. It was so decided.

AGENDA ITEM 132 (a): FINANCING OF THE ACTIVITIES ARISING FROM SECURITY COUNCIL RESOLUTION 687 (1991): UNITED NATIONS IRAQ-KUWAIT OBSERVATION MISSION (continued) (A/48/844 and Corr.1; A/48/897)

AGENDA ITEM 131: FINANCING OF THE UNITED NATIONS ANGOLA VERIFICATION MISSION (A/48/836 and Corr.1; A/48/902)

AGENDA ITEM 166: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN LIBERIA (A/48/592; A/48/900)

3. Mr. MSELLE (Chairman, Advisory Committee on Administrative and Budgetary Questions), introduced the Committee's report on the financing of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) (A/48/897), saying that its recommendations had been made after consideration of the report of the Secretary-General on the matter (A/48/844 and Corr.1) together with additional information provided by representatives of the Secretary-General.

4. The Advisory Committee believed that the estimate for UNIKOM in the period from 1 November 1993 to 30 April 1994 should not exceed $37 million. In determining the amount to be appropriated and assessed, account should be taken of the two-thirds contribution from the Government of Kuwait; the assessment on Member States should also be offset by the unencumbered balance remaining on the account (para. 24).

5. The Advisory Committee had noted that certain items of expenditure in the preceding period would not recur during the period from 1 May to 31 October 1994 and, on that basis, recommended that the commitment authority should not exceed $5.5 million gross per month for that period, on the understanding that two thirds of the related expenses would be met through contributions from the Government of Kuwait (para. 25).

6. Lastly, the Advisory Committee's recommendation of a six-month commitment authority should be seen as an exceptional measure to allow the Secretary-General to prepare a comprehensive performance report on the budget for submission to the General Assembly in time to ensure its full consideration before the expiration of financial authority (para. 26).

7. Turning to the Advisory Committee's report on the financing of the United Nations Angola Verification Mission (UNAVEM II) (A/48/902), he said that the

(Mr. Msella)

Advisory Committee recommended approval of an appropriation of $5.5 million gross for the period from 16 September to 15 December 1993 and of $6,296,100 gross for the period from 16 December 1993 to 15 March 1994, as proposed by the Secretary-General. In addition, the Advisory Committee recommended that, if the Security Council decided to extend the current mandate of UNAVEM II beyond 15 March 1994, the General Assembly should authorize the Secretary-General, with the prior concurrence of the Advisory Committee, to enter into commitments for a period from 16 March to 30 June 1994 at a monthly rate not exceeding $2,098,700 gross (para. 13).

8. As in the case of other reports of the Advisory Committee, its report on the financing of the United Nations Observer Mission in Liberia (UNOMIL) (A/48/900) had been made on the basis of the estimates shown in the report of the Secretary-General, together with a number of revisions to the estimates as indicated in the report of the Advisory Committee. Annex I of document A/48/900 set out the history of the successive revisions of the Secretary-General's estimates.

9. The Advisory Committee recommended that the General Assembly appropriate $32,797,100 gross for the period from 22 September 1993 to 21 April 1994; that was over $7 million less than the amount already appropriated and assessed. The Committee recommended that the difference between the original amount and the revised figure be used to offset future assessments on Member States (para. 39). With respect to the period after 1 April 1994, the Advisory Committee recommended that the Secretary-General be authorized to enter into commitments at a monthly rate not exceeding $4,359,100 (para. 40).

10. Mr. TAKASU (Controller) said that the recommendations of the Advisory Committee on the financing of UNIKOM (A/48/897) raised no serious implementation difficulties for the Secretariat. As the Advisory Committee's report made clear, funding was based on contributions assessed on Member States, together with voluntary contributions from particular Member States. In the case of UNIKOM, there was an income balance which was funding part of the assessment. The General Assembly had given a commitment authority in the amount of $8.7 million to cover the period from November 1993 to February 1994. With regard to the period from 1 March to 30 April 1994, the cost of which would be offset by an unencumbered balance of $20 million, the Advisory Committee had recommended an assessment of $4 million. The question that needed to be dealt with was the financing of the period after 30 April 1994 in the event that the Security Council extended the mandate. The Advisory Committee had recommended a monthly appropriation not exceeding $5.5 million. That recommendation should be seen in the context of the unencumbered balance of some $7.5 million that was to be offset against the costs; the amount would therefore be sufficient to cover about one and a half months and the question of funding would need to be addressed for the subsequent period.

11. Turning to the Advisory Committee's recommendations on the Angola Verification Mission (A/48/902), he said that if the Security Council decided to extend the mandate and increase the existing strength of UNAVEM II to the level in effect for the period from 1 November 1992 to 28 February 1993, the

(Mr. Takasu)

Secretary-General would submit detailed cost estimates to cover the new situation.

12. Turning to the Advisory Committee's recommendations on the United Nations Observer Mission in Liberia (UNOMIL), he said that the figures given in the Advisory Committee's report (A/48/900) were in some cases more recent than those given in the report of the Secretary-General (A/48/592). The Secretariat found the Advisory Committee's recommendations on the funding of the period from 22 September 1993 to 21 April 1994 entirely reasonable and he confirmed that, if the Security Council extended the mandate beyond 21 April 1994, the Secretary-General would prepare a budget as the Advisory Committee had recommended. In that connection he asked the Fifth Committee to bear in mind the question of the time that the Secretariat would require for the preparation of the budget for UNOMIL if the Security Council decided to extend the mandate.

13. Mr. SPAANS (Netherlands) said that his Government considered the Advisory Committee to be an indispensable element of the budget process. With respect to the UNOMIL operation he asked the Controller to shed further light on the procedure followed by the Secretariat with regard to the circulation of information provided to the Advisory Committee. His delegation felt, that as a general rule, documentation which had influenced the recommendations of the Advisory Committee should be made generally available.

14. He also asked for the comments of the Secretariat on the discrepancy found by the Advisory Committee between the original proposal for the funding of UNOMIL, on which the Fifth Committee had taken a decision in December 1993, and the recommendation contained in the Advisory Committee's report. Comparison of the figures suggested that the original proposal had been overbudgeted by some 20 per cent.

15. With reference to the UNIKOM operation, he said that the authorities of his country had been struck by the remarkable difference in the travel costs as between military observers and civilian personnel, on the one hand, and military personnel, on the other, indicated in the report of the Secretary-General (A/48/844, annex V, paras. 3 and 4). His delegation would welcome some further elucidation on that point.

16. The Controller had referred to the time needed by the Secretariat to prepare a full budget on the operation. In that connection, the Advisory Committee had recommended (A/48/897, paras. 25 and 26) that, for a six-month period, a month-by-month commitment authority be granted to the Secretary-General in order to allow the Secretariat time to prepare a comprehensive performance report and budget, thus enabling the General Assembly to take a more meaningful decision on the basis of a full knowledge of the facts.

17. The Secretariat had referred at informal meetings to the necessity of a period of 90 days for the preparation of a full budget for a peace-keeping operation. The resulting time lag might mean that some budgets would cover periods that had already passed; his delegation would find that difficult to explain to the authorities of the Netherlands and other delegations might well

(Mr. Spaans Netherlands)

have similar difficulties. He looked forward to hearing the Controller's comments and explanations on that matter and on the other questions raised.

18. Mr. BOIN (France) pointed out that, since the reports of the Advisory Committee had been received very recently he was not in a position to make a full statement on the substance, but the documents did raise, once again, the question of the Secretariat's ability to submit detailed budgets covering future periods. While the difficulties experienced by the Secretariat might be understood, if not altogether excused, in the case of an operation such as UNPROFOR which was highly complex, the same did not apply, for example, to the operation in Angola. There was no excuse for the situation reported in paragraph 5 of the Advisory Committee's report on UNAVEM II (A/48/902) where it was noted that information on financial performance for the period from 16 September to 15 December 1993 had not been included in the report of the Secretary-General (A/48/836 and Corr.1 and 2) and that the Secretariat proposed to submit the information at a later stage when financial data on that period became available. The Secretariat's failure to produce a financial performance report for a period that had ended three months previously was inexcusable and the situation indicated a serious deficiency in the Secretariat's planning for peace-keeping operations. His delegation, like that of the Netherlands, would be disinclined to approve commitment authorities in the absence of adequate documentation.

19. He pointed out that the figures given in the three reports of the Advisory Committee were in some cases inadequately explained. For example, in its report on the UNIKOM mission (A/48/897) it was stated (para. 10) that the mission subsistence allowance for Baghdad had fallen from $240 to $125 during the period under consideration but no explanation was offered.

20. All three reports referred to a risk allowance in the amount of $600. That was a substantial sum and the Fifth Committee had the right and the duty to consider both the desirability and the amount of any such allowance. It was inadmissible for the amount of that and other allowances, and the criteria for payment, to be decided by the Secretariat without full information being given to the Fifth Committee. In that, as in other respects, there was a need for greater transparency to enable the Fifth Committee to take its decisions on financial matters in full knowledge of the facts.

21. The Advisory Committee's report on UNAVEM II (A/48/902) stated in paragraph 3 that a sum of $19 million had been borrowed from the Peace-keeping Reserve Fund and $18 million from the United Nations Transition Assistance Group (UNTAG) in order to meet the operating cash requirements of UNAVEM II. His delegation was under the impression that the General Assembly had decided that all budgetary surpluses of UNTAG should be paid into the Peace-keeping Reserve Fund. However, it appeared from the Advisory Committee's report that budgetary surpluses still remained in the UNTAG account. That matter called for some explanation, particularly in the light of the fact that the Peace-keeping Reserve Fund was somewhat depleted.

(Mr. Boin, France)

22. Finally, he asked why there had been so many revisions to the budget estimates for UNOMIL and, in particular, why some of the revised figures had not been published. He considered the situation in that regard to be very serious and most unsatisfactory.

23. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the information provided by the Secretariat to the Advisory Committee was contained in paragraphs 16, 17 and 18 of the Advisory Committee's report (A/48/900) on the financing of the United Nations Observer Mission in Liberia (UNOMIL). In his report (A/48/592), the Secretary-General had estimated the cost of the Mission for the period from 22 September 1993 to 21 April 1994 at $42,603,800 net. However, in document A/C.5/48/40, which contained the consolidated estimates for all 17 peace-keeping operations, he had given a revised cost estimate of $39,560,800 net stating that the assumptions underlying the figures contained in his earlier report (A/48/592) had changed. Changes had occurred, in particular, in the deployment schedules of military observers, civilian personnel, helicopters and fixed-wing aircraft. By its decision 48/478 of 23 December 1993, the General Assembly had, on an exceptional basis, authorized the Secretary-General to enter into total commitments up to the amount of $39,560,800 net and had decided to apportion that amount among Member States. Further changes in deployment schedules in 1994 had further reduced the estimate by $7,335,700 net. The information provided by the Secretary-General, which, by the Secretariat's own request, was contained in annex 1 to the report of the Advisory Committee, showed precisely how each item of expenditure had been revised.

24. Mr. TAKASU (Controller), replying to the question put earlier by the representative of the Netherlands, said that the Secretariat made every effort to provide the Advisory Committee and the Fifth Committee with information that was up to date. If the changes were relatively minor, then the information was simply transmitted to the Advisory Committee for inclusion in its report. More substantive changes, however, were set out in corrigenda to the corresponding report of the Secretary-General. Unfortunately, the period between the review by the Advisory Committee of the Secretariat's report on the financing of UNOMIL and its consideration by the Fifth Committee had been very short. The administrative work involved in the preparation of proposals, however, was daunting. In 1993 alone, the Secretariat had prepared 108 budget estimates and statements of financial implications. It would therefore welcome proposals for the further streamlining of budgetary procedures.

25. Mr. STITT (United Kingdom) sought clarification as to whether any further corrigenda or addenda relating to the three peace-keeping operations under discussion were in the process of preparation. He also wished to reiterate his previous request that an updated report on the state of contributions should be made available to members during the forthcoming informal consultations.

26. Mr. MICHALSKI (United States of America) said that his delegation would welcome information on the current state of voluntary contributions to peace-keeping operations, particularly to UNOMIL and UNIKOM.

AGENDA ITEM 149: FINANCING OF THE UNITED NATIONS OPERATION IN MOZAMBIQUE (ONUMOZ) (continued) (A/C.5/48/L.45)

27. Mr. MERIFIELD (Canada), introducing draft resolution A/C.5/48/L.45 on behalf of his delegation and that of Austria, said that the last few lines of paragraph 5 following the words "30 April 1994" should be deleted.

28. Mr. MICHALSKI (United States of America) said that his delegation would have wished to include an additional paragraph in order to reflect a recent decision of the Security Council. Because of the early deadline being imposed for its adoption, however, his delegation would not be able to discuss the draft text and therefore could not join in sponsoring it.

29. Mr. SPAANS (Netherlands) asked whether a written copy of the proposed revision could be made available to the Committee.

30. The CHAIRMAN suggested that the Committee should defer further consideration of the draft resolution to a later stage.

AGENDA ITEM 136: FINANCING OF THE UNITED NATIONS PROTECTION FORCE (UNPROFOR) (continued) (A/C.5/48/L.44)

31. Mr. MERIFIELD (Canada), introducing draft resolution A/C.5/48/L.44 on behalf of the delegations of Austria, Canada and Japan, said that the sponsors were willing to consider changes to the draft text and to accept additional co-sponsors.

32. Mr. SPAANS (Netherlands) said that he understood that the Chairman had also prepared a draft text on the item under consideration and wished to remind the Committee that it was precluded from taking any action thereon by rule 120 of the rules of procedure of the General Assembly which provided that "no proposal shall be discussed or put to the vote at any meeting of the Committee unless copies of it have been circulated to all delegations not later than the day preceding the meeting".

33. The CHAIRMAN pointed out that the rules of procedure also authorized the Chairman to "permit the discussion and consideration of amendments, or of motions as to procedure, even though such amendments and motions have not been circulated or have only been circulated the same day".

The meeting was suspended at 11.55 p.m. and resumed at 12.40 p.m.

34. Mr. MICHALSKI (United States of America) said that his delegation was not prepared to join the consensus on the draft resolution unless a good faith effort were made to achieve consensus on questions that were of concern to his own delegation.

35. Mr. ZEVELAKIS (Greece), speaking on behalf of the European Union, said that the Union would support the draft text in the spirit of consensus.

36. Ms. SAEKI (Japan) said that in the interest of achieving a consensus her delegation was prepared to support the draft text of the Chairman.

37. Mr. NDOBOLI (Uganda) said that his delegation also supported the Chairman's draft text.

38. The CHAIRMAN, noting that members appeared to be willing to give favourable consideration to the Chairman's draft text, suggested that the discussion should be suspended until the following day.

39. It was so decided.

The meeting rose at 1.05 p.m.